

UNITED STATES DEPARTMENT OF JUSTICE
OFFICE OF THE UNITED STATES TRUSTEE
SOUTHERN DISTRICT OF CALIFORNIA

In Re:

LIGNUS, INC.

Debtor(s).

CHAPTER 11 (BUSINESS)

CASE NO. 17-05475-CL11
OPERATING REPORT NO. 1
FOR THE MONTH ENDING:
SEPTEMBER 30, 2017

I. CASH RECEIPTS AND DISBURSEMENTS
A. (GENERAL ACCOUNT*)

1. TOTAL RECEIPTS PER ALL PRIOR GENERAL ACCOUNT REPORTS	\$ <u>0</u>
2. LESS: TOTAL DISBURSEMENTS PER ALL PRIOR GENERAL ACCOUNT REPORTS	\$ <u>0</u>
3. BEGINNING BALANCE: From Wells Fargo pre-petition account	\$ <u>18,138.57</u>
4. RECEIPTS DURING CURRENT PERIOD:	
ACCOUNTS RECEIVABLE - PRE-FILING	\$ <u>284,787.66</u>
ACCOUNTS RECEIVABLE - POST-FILING	\$ _____
GENERAL SALES	\$ _____
OTHER (SPECIFY) Closing First Bank account	\$ <u>26,340.60</u>
OTHER ** (SPECIFY) _____	\$ _____
TOTAL RECEIPTS THIS PERIOD: \$ <u>329,266.83</u>	
5. BALANCE:	\$ <u>329,266.83</u>
6. LESS: TOTAL DISBURSEMENTS DURING CURRENT PERIOD	
TRANSFERS TO OTHER DIP ACCOUNTS	\$ _____
DISBURSEMENTS	\$ <u>318,842.33</u>
TOTAL DISBURSEMENTS THIS PERIOD ***:	\$ <u>318,842.33</u>
7. ENDING BALANCE:	\$ <u>10,424.5</u>
8. GENERAL ACCOUNT NUMBER	<u>xxxxxxxxxx9807</u>

DEPOSITORY NAME AND LOCATION California Bank & Trust444 3rd Ave, Chula Vista, CA 91910* All receipts must be deposited into the general account.

** Include receipts from the sale of any real or personal property out of the ordinary course of business; attach an exhibit specifying what was sold, to whom, terms, and date of Court Order or Report of Sale.

***This amount should be the same as the total from page 2.

DISBURSEMENT S FROM				
DATE	CHECK NUMBER	PAYEE	PURPOSE	AMOUNT
9/20/2017	WIRE	CA Bank & Trust	Bank Fee	\$ 14.00
9/22/2017	WIRE	CA Bank & Trust	Bank Fee	\$ 14.00
9/22/2017	WIRE	CA Bank & Trust	Bank Fee	\$ 15.00
9/22/2017	WIRE	Oasis Outsourcing	Payroll	\$ 7,469.46
9/25/2017	WIRE	Quart International	Invoice Payment	\$ 36,229.80
9/25/2017	WIRE	CA Bank & Trust	Bank Fee	\$ 50.00
9/25/2017	WIRE	CA Bank & Trust	Checks	\$ 286.49
9/25/2017	WIRE	T-mobile	Invoice Payment	\$ 757.90
9/26/2017	WIRE	Quart International	Invoice Payment	\$ 22,000.00
9/26/2017	WIRE	PVS	Invoice Payment	\$ 3,000.00
9/29/2017	WIRE	CA Bank & Trust	Bank Fee	\$ 14.00
9/29/2017	WIRE	Quart	Invoice Payment	\$ 47,061.76
9/29/2017	WIRE	Kuehne & Nagel	Invoice Payment	\$ 33,920.57
9/29/2017	WIRE	Oasis Outsourcing	Payroll	\$ 7,369.46
9/20/2017	9999	Parr Lumber Company	Invoice Payment	\$ 11,579.78
9/21/2017	9999	Hampton Lumbr Sales	Invoice Payment	\$ 9,026.64
9/21/2017	9999	Parr Lumber Company	Invoice Payment	\$ 23,132.25
9/22/2017	9999	Parr Lumber Company	Invoice Payment	\$ 26,118.46
9/25/2017	9999	Lauro Chavez	Office Expenses	\$ 37.99
9/26/2017	1001	Parr Lumber Company	Invoice Payment	\$ 24,709.71
9/26/2017	1002	VOIDED		\$ -
9/27/2017	1003	Transporte Mayito's	Invoice Payment	\$ 800.00
9/27/2014	1004	VOIDED		\$ -
9/28/2017	1005	Parr Lumber Company	Invoice Payment	\$ 35,932.11
9/28/2017	1006	Maria Hagenah	Reimbursement for Office Cabinets	\$ 914.91
9/28/2017	9999	Pedro Duran	Sales Commision	\$ 1,000.00
9/29/2017	1007	Hampton Lumbr Sales	Invoice Payment	\$ 17,368.77
9/29/2017	1008	VOIDED		\$ -
9/29/2017	1009	VOIDED		\$ -
9/29/2017	1110	Lauro Chavez	Office Expenses	\$ 380.61
9/29/2017	1111	Carlos Tellez	Office Supplies	\$ 29.06
9/29/2017	1012	Parr Lumber Company	Invoice Payment	\$ 9,609.60
TOTAL DISBURSEMENTS THIS PERIOD				\$ 318,842.33

GENERAL ACCOUNT
BANK RECONCILIATION*

Balance per bank statement dated: 9/29/2017\$ 10,834.17

Plus deposits in transit (a):

<u>Deposit Date</u>	<u>Deposit Amount</u>
_____	\$ _____
_____	_____
_____	_____

Total deposits in transit

0

Less outstanding checks (a):

<u>Check Number</u>	<u>Check Date</u>	<u>Check Amount</u>
1010	9/29/2017	\$380.61
1011	9/29/2017	\$29.06
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Total outstanding checks

<409.67 >

Bank statement adjustments**

Adjusted bank balance

\$ 10,424.50

* It is acceptable to attach lists of deposits in transit and outstanding checks to this form or to replace this form with a similar form.

** Please attach a detailed explanation of any bank statement adjustment.

I. CASH RECEIPTS AND DISBURSEMENTS (Continued)B. (PAYROLL ACCOUNT)

1. TOTAL RECEIPTS PER ALL PRIOR PAYROLL ACCOUNT REPORTS \$ N/A
2. LESS: TOTAL DISBURSEMENTS PER ALL PRIOR PAYROLL
ACCOUNT REPORTS \$ _____
3. BEGINNING BALANCE \$ _____
4. RECEIPTS:
TRANSFERRED FROM GENERAL ACCOUNT \$ _____
5. BALANCE \$ _____
6. LESS: DISBURSEMENTS DURING CURRENT PERIOD

<u>DATE</u>	<u>CHECK NO.</u>	<u>PAYEE</u>	<u>AMOUNT</u>
-------------	------------------	--------------	---------------

TOTAL DISBURSEMENTS THIS PERIOD: \$ _____

7. ENDING BALANCE: \$ _____

8. PAYROLL ACCOUNT NUMBER _____

DEPOSITORY NAME AND LOCATION _____

PAYROLL ACCOUNT
BANK RECONCILIATION*

Balance per bank statement dated: _____

\$ N/A

Plus deposits in transit (a):

<u>Deposit Date</u>	<u>Deposit Amount</u>
_____	\$ _____
_____	_____
_____	_____

Total deposits in transit

Less outstanding checks (a):

<u>Check Number</u>	<u>Check Date</u>	<u>Check Amount</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Total outstanding checks

< _____ >

Bank statement adjustments**

Adjusted bank balance

\$ _____

* It is acceptable to attach lists of deposits in transit and outstanding checks to this form or to replace this form with a similar form.

** Please attach a detailed explanation of any bank statement adjustment.

I. CASH RECEIPTS AND DISBURSEMENTS (Continued)B. (TAX ACCOUNT)

1. TOTAL RECEIPTS PER ALL PRIOR TAX ACCOUNT REPORTS \$ N/A
2. LESS: TOTAL DISBURSEMENTS PER ALL PRIOR TAX ACCOUNT REPORTS \$ _____
3. BEGINNING BALANCE \$ _____
4. RECEIPTS:
TRANSFERRED FROM GENERAL ACCOUNT \$ _____
5. BALANCE \$ _____
6. LESS: DISBURSEMENTS DURING CURRENT PERIOD

<u>DATE</u>	<u>CHECK NO.</u>	<u>PAYEE</u>	<u>AMOUNT</u>
-------------	------------------	--------------	---------------

TOTAL DISBURSEMENTS THIS PERIOD: \$ _____

7. ENDING BALANCE: \$ _____

8. TAX ACCOUNT NUMBER _____

DEPOSITORY NAME AND LOCATION _____

D. SUMMARY SCHEDULE OF CASH

ENDING BALANCE FOR PERIOD:

GENERAL ACCOUNT	\$ _____
PAYROLL ACCOUNT	\$ _____
TAX ACCOUNT	\$ _____
OTHER ACCOUNTS*: _____	\$ _____
OTHER MONIES*: _____	\$ _____
PETTY CASH**	\$ _____

TOTAL CASH AVAILABLE	\$ _____
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* Specify the fund and the type of holding (i.e., CD, Savings Account, Investment securities, etc.), and the depository name, location, and account number.

** Attach exhibit itemizing all petty cash transactions.

NOTE: Attach copies of monthly accounts statements from financial institutions for each account.

Debtor-in-Possession Monthly Operating Report (Business) - Page 6 of 14

TAX ACCOUNT BANK
RECONCILIATION*

Balance per bank statement dated: _____ \$ N/A

Plus deposits in transit (a):

<u>Deposit Date</u>	<u>Deposit Amount</u>
_____	\$ _____
_____	_____
_____	_____

Total deposits in transit _____

Less outstanding checks (a):

<u>Check Number</u>	<u>Check Date</u>	<u>Check Amount</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
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_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Total outstanding checks < _____ >

Bank statement adjustments** _____

Adjusted bank balance \$ _____

* It is acceptable to attach lists of deposits in transit and outstanding checks to this form or to replace this form with a similar form.

** Please attach a detailed explanation of any bank statement adjustment.

**II. STATUS OF PAYMENTS TO SECURED CREDITORS, LESSORS,
AND OTHER PARTIES TO EXECUTORY CONTRACTS**

CREDITOR, LESSOR, ETC.	FREQUENCY OF PAYMENTS (Mo./Qtr.)	AMOUNT OF PAYMENT	POST-PETITION PAYMENTS NOT MADE (NUMBER)	TOTAL DUE
Chase/Land Rover*	Monthly	\$1,231.43	0	0
Ally*	Monthly	\$873.51	0	0
TOTAL DUE				0

* Payments are being made by third party.

III. TAX LIABILITIES

FOR THE REPORTING PERIOD:

GROSS SALES SUBJECT TO SALES TAX

\$ 0

TOTAL WAGES PAID

\$ 33,672.40 (incl.
pre-petition)

	TOTAL POST-PETITION AMOUNTS OWING	AMOUNT DELINQUENT	DATE DELINQUENT AMOUNT DUE
FEDERAL WITHHOLDING	\$	\$	
STATE WITHHOLDING	\$	\$	
FICA - EMPLOYER'S SHARE	\$	\$	
FICA - EMPLOYEE'S SHARE	\$	\$	
FEDERAL UNEMPLOYMENT	\$	\$	
STATE WITHHOLDING	\$	\$	
SALES AND USE	\$	\$	
REAL PROPERTY	\$	\$	
OTHER: (SPECIFY)	\$	\$	
TOTAL:	\$	\$	

NOTE: All payroll and taxes are paid by Oasis Outsourcing, Inc. ("Oasis"), a Professional Employer Organization, which bills the Debtor for the gross liability paid by Oasis. The Debtor is current on its obligations to Oasis.

IV. AGING OF ACCOUNTS PAYABLE AND ACCOUNTS RECEIVABLE

	ACCOUNTS PAYABLE* (POST-PETITION ONLY)	ACCOUNTS Pre-Petition	RECEIVABLE Post-Petition
30 days or less	122,954.69	710,418.43	474,246.71
31 - 60 days		426,397.05	
61 - 90 days		210,38.86	
91 - 120 days		3,132.01	
Over 120 days		50,727.19	
TOTALS:	122,954.69	1,401,713.36	474,246.71

V. INSURANCE COVERAGE

	NAME OF CARRIER	AMOUNT OF COVERAGE	POLICY EXPIRATION DATE	PREMIUM PAID THROUGH:
General Liability	United Fire Group	\$1,000,000.00	7/21/2018	Current
Worker Compensation	Zurich	\$1,000,000.00	6/01/2018	Current
Casualty	Liberty Mutual	\$300,000.00	12/04/2017	Current
Vehicle	Progressive	\$100,000.00	1/07/2018	Current

VI. UNITED STATES TRUSTEE QUARTERLY FEES
(TOTAL PAYMENTS)

Qtrly Period Ending	Total Disbursements	Qtrly Fees	Date Paid	Amount Paid	Qtrly Fee Still Owing
9/30/2017	\$368,452.60	\$4,875.00	10/17/2017	\$325.00	\$4,550.00

* Post-Petition Accounts Payable should not include professionals' fees and expenses which have been incurred but not yet awarded by the Court. Post-Petition Accounts Payable should include professionals' fees and expenses authorized by Court Order but which remain unpaid as of the close of the period of the report.

VII. SCHEDULE OF COMPENSATION PAID TO INSIDERS

Name of Insider	Date of Order Authorizing Compensation	Authorized Gross Compensation*	Gross Compensation Paid During the Month
Carmen Hernandez	Interim 9/11/17 Final 10/6/2017	\$1,800.00 /week	\$9,000.00**
Jose Gaitan	Interim 9/11/17 Final 10/6/2017	\$1,800.00/week	\$9,000.00**
Jose Carlos Gaitan	Interim 9/11/17 Final 10/6/2017	\$634.48/week	\$3,172.40**

* Please indicate how compensation was identified in the order (e.g., \$1,000/wk, \$2,500/mo)

**Indicates payments made for the entire month of September, including pre-petition payment.

VIII. SCHEDULE OF OTHER AMOUNTS PAID TO INSIDERS

Name of Insider	Date of Order Authorizing Payment	Description	Amount Paid During the Month

Lignus, Inc

Profit and Loss Statement

Posting Date:

From

09/09/17

To

09/30/17

Template:

Chart of Accounts

Report Cycle:

Annual Report

Transaction Cross-Section by

Posting Date

Currency: \$

Account Name

System Currency

Year-to-Date

Revenues

4100000000000000 - Sales Revenue 475,460.28 6,094,781.56

4200000000000000 - Sales Discounts & Rebates (17,039.88)

4300000000000000 - Other Revenue 184,258.10

Total Revenues

475,460.28

6,261,999.78

Cost of Sales

5100000000000000 - Cost of Sales (443,629.59) (5,838,096.41)

5200000000000000 - Cost of Sales Inventory Variances (7,626.10) (36,896.50)

5300000000000000 - Cost of Sales - Landed Costs 35.00 46,309.23

5400000000000000 - Cost of Sales - Resources Costs & Variances

5500000000000000 - Cost of Sales - Cash Discount (1,810.83)

Total Cost of Sales

(451,220.69)

(5,830,494.51)

Gross Profit

24,239.59

431,505.27

Expenses

6100000000000000 - Office & Administrative Expenses (4,294.37) (261,881.03)

6200000000000000 - Legal & Professional Expenses (48,608.06)

6300000000000000 - Travel Expenses (18,571.57)

6400000000000000 - Payroll Expenses (14,915.90) (293,393.74)

6500000000000000 - Tax Expenses (1,023.02) (26,073.25)

6600000000000000 - Sales Write Offs and Bad Debt Expense

6700000000000000 - Depreciation & Amortization Expense

6800000000000000 - Other Expenses (106.63)

6900000000000000 - Operational fees (5,436.57) (44,840.77)

Total Expenses

(25,669.86)

(693,475.05)

Operating Profit

(1,430.27)

(261,969.78)

Financing

7100000000000000 - Currency Exchange (0.01)

Total Financing

(0.01)

Profit After Financing Expenses

(1,430.27)

(261,969.79)

Lignus, Inc

Profit and Loss Statement

		Currency: \$	
Account Name	System Currency		Year-to-Date
Other Revenues and Expenses			
8100000000000000 - Other Revenue & Expenses			
Total Other Revenues and Expenses			
Profit Period	(1,430.27)		(261,969.79)

Lignus, Inc

Balance Sheet

Transaction Cross-Section by		Posting Date:	Template:	Chart of Accounts	Report Cycle:	Annual Report	Posting Date:	To	09/30/17
Account Name		Balance	Account Name		Balance		Currency: \$		
Assets			Liabilities						
110000000000000 - Bank & Cash		10,519.58	210000000000000 - Accounts Payable *		2,356,089.24				
120000000000000 - Accounts Receivables		1,876,460.07	220000000000000 - Sales & Use Tax Liabilities		2,287.37				
130000000000000 - Inventories		171,861.64	230000000000000 - Payroll Liabilities		800.00				
140000000000000 - Prepaid Expense			240000000000000 - Other Current Liabilities		73,388.03				
150000000000000 - Fixed Assets		127,410.77	240100000000000 - Other Accounts Payable						
160000000000000 - Accumulated Depreciation		(7,808.57)	250000000000000 - Long Term Liabilities						
170000000000000 - Other Current Assets		7,953.36	Total Liabilities		2,432,564.64				
180000000000000 - Other asset		13,500.00	Equity						
Total Assets		2,199,896.85	310000000000000 - Capital		(16,465.01)				
		2,199,896.85	320000000000000 - Retained Earnings		103,047.35				
		=====	330000000000000 - Opening Balance & Period Closing						
			Profit Period		(319,250.13)				
			Total Equity		(232,667.79)				
					2,199,896.85				

* Post-petition accounts payable are included in this figure, and were \$122,954.69 as of 9/30/17

XI. QUESTIONNAIRE

1. Has the debtor-in-possession made any payments on its pre-petition unsecured debt, except as have been authorized by the court?

X No.

____ Yes. Explain _____

2. Has the debtor-in-possession during this reporting period provided compensation or remuneration to any officers, directors, principals, or other insiders without appropriate authorization?

X No.

____ Yes. Amount, to whom, and for what period? _____

3. State what progress was made during the reporting period toward filing a plan of reorganization:

The Debtor filed its Chapter 11 petition during the reporting period. The Debtor made progress with

respect to obtaining Orders on First Day Motions, filing Schedules, and working toward fulfilling reporting requirements.

4. Describe potential future developments which may have a significant impact on the case.

5. Attach copies of all Orders granting relief from the automatic stay that were entered during the reporting period.

6. Did you receive any exempt income this month, which is not set forth in the operating report?
X No.
_____ Yes. Please set forth the amounts and the source of the income.

I, Jose Gaitan, CFO of Lignus, Inc. (Name and title), declare under penalty of perjury that I have fully read and understood the foregoing debtor-in-possession operating report and that the information contained herein is true and complete to the best of my knowledge.

Date: October 23, 2017

/s/ Jose Gaitan
Jose Gaitan, CFO of Lignus, Inc.



P.O. Box 489, Lawndale, CA 90260-0489

Statement of Accounts

Page 1 of 7

This Statement: September 29, 2017

Last Statement: September 17, 2017

Account [REDACTED] 9807

DIRECT INQUIRIES TO:

Customer Service 1 (800) 400-6080

0072536

4273-06-0000-CBT-PG0030-00021

LIGNUS INC
DEBTOR-IN-POSSESSION CASE 17-05475-CL11
531 ALTA RD STE 8
SAN DIEGO CA 92154-5720

Chula Vista
444 Third Avenue
Chula Vista, CA 91910-4603
(619) 409-4000

SUMMARY OF ACCOUNT BALANCE

<i>Account Type</i>	<i>Account Number</i>	<i>Checking/Savings Ending Balance</i>	<i>Outstanding Balances Owed</i>
Business Advantage Checking	5794059807	\$10,834.17	

BUSINESS ADVANTAGE CHECKING 5794059807

105 21

<i>Previous Balance</i>	<i>Deposits/Credits</i>	<i>Charges/Debits</i>	<i>Checks Processed</i>	<i>Ending Balance</i>
0.00	329,266.83	158,202.44	160,230.22	10,834.17

13 DEPOSITS/CREDITS

<i>Date</i>	<i>Amount</i>	<i>Description</i>
09/19	18,138.57	DEPOSIT 5353025889
09/20	162.22	DEPOSIT 5353017508
09/20	1,196.31	DEPOSIT 5353017510
09/20	26,340.60	DEPOSIT 5353038841
09/20	107,101.29	DEPOSIT 5353038839
09/20	50,000.00	WIRE/IN-2017092000004629;ORG CARPIMAT DEL NOROESTE S DE RL D 1304601276
09/22	77.37	DEPOSIT 5353034625
09/22	462.04	DEPOSIT 5353034623
09/22	50,000.00	WIRE/IN-2017092200007708;ORG CARPIMAT DEL NOROESTE S DE RL D 1304201953
09/22	19,852.56	WIRE/IN-2017092200005315;ORG MADERAS FINAS LOS PINOS S DE RL 1304201350
09/25	25,627.69	DEPOSIT 5353058593
09/28	308.18	DEPOSIT 5353039166
09/29	30,000.00	WIRE/IN-2017092900007349;ORG CARPIMAT DEL NOROESTE S DE RL D 1304402088

14 CHARGES/DEBITS

<i>Date</i>	<i>Amount</i>	<i>Description</i>
09/20	14.00	WIRE FEE-INCOMING DOMESTIC
09/22	14.00	WIRE FEE-INCOMING DOMESTIC
09/22	15.00	WIRE FEE-INCOMING INT CURR
09/22	7,469.46	OASISINVBATCH INVOICE H02597882 REF # 017264006875995 1107009369
09/25	36,229.80	WIRE/OUT-2017092500003032;BNF QUART INTERNATIONAL COMPANY LI 1304500786
09/25	50.00	WIRE FEE-OUTGOING FOREIGN
09/25	286.49	DELUXE BUS SYS. BUS PRO 80867757 REF # 017268008247287 1108028062
09/25	757.90	T-MOBILE.COM PCS SVC REF # 017268008310396 1108041064
09/26	22,000.00	WIRE/OUT-2017092600004596;BNF QUART INTERNATIONAL COMPANY LI 1304001234
09/26	3,000.00	WIRE/OUT-2017092600006012;BNF PVS INTERNATIONAL 1304001597
09/29	14.00	WIRE FEE-INCOMING DOMESTIC
09/29	47,061.76	WIRE/OUT-2017092900006666;BNF QUART INTERNATIONAL COMPANY LI 1304401906
09/29	33,920.57	WIRE/OUT-2017092900007669;BNF KUEHNE NAGEL SERVICES 1304402182
09/29	7,369.46	OASISINVBATCH INVOICE H02601659 REF # 017271001282810 1107426106



An Easy Approach To Balancing Your Account

To reconcile your checkbook balance to your statement balance: Mark off each entry in your check register that has been charged to your account during the statement period. List the checks you have written, but are not yet charged to your account in the "Checks Outstanding" column below. Then, follow the instructions in lines 1 through 10.

CHECKS OUTSTANDING		CHECKBOOK BALANCE	
Check Number	Check Amount	1. LIST your checkbook balance.	
		2. ADD any deposits or other credits listed on the front of this statement which you have not recorded in your checkbook (such as payroll credits or other direct electronic deposits).	
		3. SUBTOTAL:	
		4. SUBTRACT any charges listed on the front of this statement which you have not recorded (such as service charges, automatic transfers, electronic transactions, etc).	
		5. ADJUSTED CHECKBOOK BALANCE:	
		<i>This balance should agree with line 10, below.</i>	
		STATEMENT BALANCE	
		6. LIST your current statement balance as shown on the front of this statement.	
		7. ADD deposits made, but not shown on this statement.	
		8. SUBTOTAL:	
		9. SUBTRACT total from "Checks Outstanding."	
		10. ADJUSTED STATEMENT BALANCE:	
		<i>This balance should agree with line 5, above.</i>	
TOTAL:			

Transfer to Line 9.

PROMPTLY EXAMINE YOUR STATEMENT AND REPORT ANY PROBLEM

You must promptly examine your account statements and report any discoverable errors, unauthorized signatures, alterations, missing endorsements, or unauthorized transfers. Failure to do so may result in your loss of certain rights or remedies. For example, you must identify the discoverable alteration or forgery of a check within 30 days of us sending you, or making available to you, the statement reflecting that check, and you must also immediately report to us what you find. Businesses should check their account transactions daily, for which various online services are available. For additional information, please see your deposit account agreement and application service agreement(s) for details. See also the consumer disclosures below.

CONSUMER ACCOUNTS: IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR ELECTRONIC TRANSFERS OR MONEY RESERVE TRANSACTIONS

If you think your statement is wrong, or if you need more information about a transfer on this statement or on a receipt, please telephone or write us. Please use the telephone number or address listed on the front of this statement to contact us as you can. **We must hear from you no later than 60 days after we sent or made available the FIRST statement on which the problem or error appeared. The provisions in this paragraph do not apply to business or other non-personal accounts. The owners of those accounts must settle all unauthorized transactions or errors within 24 hours of receipt of the item posting in order to be returned.**

1. Tell us your name and account number.
2. Describe the error or transfer you are unsure about, and explain as clearly as you can why you believe there is an error or why you need more information.
3. Tell us the dollar amount of the suspected error.

We will investigate your complaint and correct any error promptly. If we take more than 10 business days to do this, we will recredit your account for the amount you think is in error, so that you will have use of the money during the time it takes us to complete our investigation.

FOR MONEY RESERVE ACCOUNTS:**IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR PERSONAL CREDIT LINE**

(This is a Summary of Your Billing Rights).

If you think your statement is wrong, or you need more information about a transaction on your statement, write us at the address on the front of this statement as soon as possible. **We must hear from you no later than 60 days after we sent you the first statement on which the error or problem appeared.**

You can telephone us but doing so will not preserve your rights. In your letter, give us the following information.

1. Your name and account number.
2. The dollar amount of the suspected error.
3. Describe the error and explain, if you can, why you believe there is an error. If you need more information, describe the item you are unsure about.

You do not have to pay any amount in question while we are investigating, but you are still obligated to pay the parts of your bill that are not in question. The charge in question may remain on your statement, and we may continue to charge you interest on that amount. But, if we determine that we made a mistake, you will not have to pay the amount in question or any interest or other fees related to that amount. While we investigate your question, we cannot report you as delinquent or take any action to collect the amount you question. You must notify us in writing. You can telephone us, but doing so will not preserve your rights. Contact us at California Bank & Trust, PO Box 25787, Salt Lake City, UT 84125-0787.

Balance Subject to Interest Rate: We use the method called "average daily balance", (including current transactions) to calculate the daily balance. If you have any further questions about the method and how resulting interest charges are determined, please feel free to contact us at 1-800-400-6080.

We may report information about your Money Reserve account to credit bureaus. Late payments, missed payments, or other defaults on your account may be reflected in your credit report.

Please notify us if we report any inaccurate information about your account(s) to a credit bureau. Your written notice describing the specific inaccuracy should be sent to us at the following address: California Bank & Trust, PO Box 25787, Salt Lake City, UT 84125-0787.

Thank you for banking with California Bank & Trust.

Become an Online Banking Customer for 24-hour account access.

• Review account balances • Review posted transactions • Pay bills • Transfer funds
Sign up today at www.calbanktrust.com or call 888-217-1265.



CALIFORNIA BANK
TRUST

P.O. Box 489, Lawndale, CA 90260-0489

Page 3 of 7
September 29, 2017
LIGNUS INC
9807

12 CHECKS PROCESSED

Number.....	Date.....	Amount	Number.....	Date.....	Amount	Number.....	Date.....	Amount
1001	09/26	24,709.71	1007	09/29	17,368.77	9999*	09/21	23,132.25
1003*	09/27	800.00	1012*	09/29	9,609.60	9999*	09/22	26,118.46
1005*	09/28	35,932.11	9999*	09/20	11,579.78	9999*	09/25	37.99
1006	09/28	914.91	9999*	09/21	9,026.64	9999*	09/28	1,000.00

* Not in check sequence

AGGREGATE OVERDRAFT AND RETURNED ITEM FEES

	Total for This Period	Total Year-to-Date
Total Overdraft Fees	\$0.00	\$0.00
Total Returned Item Fees	\$0.00	\$0.00

To learn more about our other products and services that may lower the cost of managing account overdrafts or to discuss removing overdraft coverage from your account, please contact Customer Service or visit your local branch.

DAILY BALANCES

Date.....	Balance	Date.....	Balance	Date.....	Balance
09/19	18,138.57	09/22	195,961.37	09/27	133,717.17
09/20	191,345.21	09/25	184,226.88	09/28	96,178.33
09/21	159,186.32	09/26	134,517.17	09/29	10,834.17



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CALIFORNIA BANK & TRUST
 A Division of 22 N.A. Member FDIC

CHECKING DEPOSIT
 DEPOSITED CHECKS MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL

FOR DEPOSIT TO THE ACCOUNT OF
 DATE 9/19 2017
 NAME Lignus Inc.
 ADDRESS _____
 ACCOUNT NUMBER 9807

☒ CASH INCLUDING COIN
 SUB TOTAL 18,138.57
 LESS CASH RECEIVED _____
 NET DEPOSIT \$ 18,138.57

ACKNOWLEDGE RECEIPT OF CASH RETURNED BY SIGNING ABOVE (PERSONAL ACCOUNTS / SOLE PROPRIETORSHIPS ONLY)

54540140 352

Ref# 53025889 \$18138.57

CALIFORNIA BANK & TRUST
 A Division of 22 N.A. Member FDIC

CHECKING DEPOSIT
 DEPOSITED CHECKS MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL

FOR DEPOSIT TO THE ACCOUNT OF
 DATE SEPT/20/17
 NAME Lignus
 ADDRESS _____
 ACCOUNT NUMBER 9807

☒ CASH INCLUDING COIN
 SUB TOTAL 162.22
 LESS CASH RECEIVED _____
 NET DEPOSIT \$ 162.22

ACKNOWLEDGE RECEIPT OF CASH RETURNED BY SIGNING ABOVE (PERSONAL ACCOUNTS / SOLE PROPRIETORSHIPS ONLY)

54540140 352

Ref# 53017508 \$162.22

LIGNUS INC
 DEBTOR-IN-POSSESSION
 CASE 17-05475-CL11
 531 ALTA RD STE 8
 SAN DIEGO CA 92154-9220

CURRENCY \$ 1196.31
 COIN _____
 DATE 9/20/17
 DEPOSIT TICKET 1196.31

CALIFORNIA BANK & TRUST
 A Division of 22 N.A. Member FDIC

54540140 9807 352

Ref# 53017510 \$1196.31

CALIFORNIA BANK & TRUST
 A Division of 22 N.A. Member FDIC

CHECKING DEPOSIT
 DEPOSITED CHECKS MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL

FOR DEPOSIT TO THE ACCOUNT OF
 DATE SEPT/20/17
 NAME Lignus
 ADDRESS _____
 ACCOUNT NUMBER 9807

☒ CASH INCLUDING COIN
 SUB TOTAL 26,340.60
 LESS CASH RECEIVED _____
 NET DEPOSIT \$ 26,340.60

ACKNOWLEDGE RECEIPT OF CASH RETURNED BY SIGNING ABOVE (PERSONAL ACCOUNTS / SOLE PROPRIETORSHIPS ONLY)

54540140 352

Ref# 53038841 \$26340.60

CALIFORNIA BANK & TRUST
 A Division of 22 N.A. Member FDIC

CHECKING DEPOSIT
 DEPOSITED CHECKS MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL

FOR DEPOSIT TO THE ACCOUNT OF
 DATE SEPT/20/17
 NAME Lignus
 ADDRESS _____
 ACCOUNT NUMBER 9807

☒ CASH INCLUDING COIN
 SUB TOTAL 107,101.29
 LESS CASH RECEIVED _____
 NET DEPOSIT \$ 107,101.29

ACKNOWLEDGE RECEIPT OF CASH RETURNED BY SIGNING ABOVE (PERSONAL ACCOUNTS / SOLE PROPRIETORSHIPS ONLY)

54540140 352

Ref# 53038839 \$107101.29

CALIFORNIA BANK & TRUST
 A Division of 22 N.A. Member FDIC

CHECKING DEPOSIT
 DEPOSITED CHECKS MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL

FOR DEPOSIT TO THE ACCOUNT OF
 DATE 9/21/17
 NAME LIGNUS
 ADDRESS _____
 ACCOUNT NUMBER 9807

☒ CASH INCLUDING COIN
 SUB TOTAL 77.37
 LESS CASH RECEIVED _____
 NET DEPOSIT \$ 77.37

ACKNOWLEDGE RECEIPT OF CASH RETURNED BY SIGNING ABOVE (PERSONAL ACCOUNTS / SOLE PROPRIETORSHIPS ONLY)

54540140 352

Ref# 53034625 \$77.37

CALIFORNIA BANK & TRUST
 A Division of 22 N.A. Member FDIC

CHECKING DEPOSIT
 DEPOSITED CHECKS MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL

FOR DEPOSIT TO THE ACCOUNT OF
 DATE 09/22/17
 NAME LIGNUS INC
 ADDRESS 5794059807
 ACCOUNT NUMBER 9807

☒ CASH INCLUDING COIN
 SUB TOTAL 462.04
 LESS CASH RECEIVED _____
 NET DEPOSIT \$ 462.04

ACKNOWLEDGE RECEIPT OF CASH RETURNED BY SIGNING ABOVE (PERSONAL ACCOUNTS / SOLE PROPRIETORSHIPS ONLY)

54540140 352

Ref# 53034623 \$462.04

CALIFORNIA BANK & TRUST
 A Division of 22 N.A. Member FDIC

CHECKING DEPOSIT
 DEPOSITED CHECKS MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL

FOR DEPOSIT TO THE ACCOUNT OF
 DATE 09/25/17
 NAME LIGNUS INC
 ADDRESS _____
 ACCOUNT NUMBER 9807

☒ CASH INCLUDING COIN
 SUB TOTAL 25,627.69
 LESS CASH RECEIVED _____
 NET DEPOSIT \$ 25,627.69

ACKNOWLEDGE RECEIPT OF CASH RETURNED BY SIGNING ABOVE (PERSONAL ACCOUNTS / SOLE PROPRIETORSHIPS ONLY)

54540140 352

Ref# 53058593 \$25627.69

CALIFORNIA BANK
 444 THIRD AVENUE - CHULA VISTA, CA 92009

LIGNUS INC
 531 ALTA RD STE 8
 SAN DIEGO, CA 92154

DATE 9/22/17
 TOTAL ITEMS 1
 \$ 308.18

54540140 9807 352

Ref# 53039166 \$308.18

LIGNUS INC
 DEBTOR-IN-POSSESSION, 17-05475-CL11
 531 ALTA RD STE 8
 SAN DIEGO, CA 92154

CALIFORNIA BANK & TRUST
 CHULA VISTA OFFICE
 CHULA VISTA, CALIFORNIA 92009
 90-32101222

PAY TO THE ORDER OF PARR LUMBER COMPANY
 \$ 24,709.71
 DOLLARS

MEMO PARR LUMBER COMPANY
 14023 RAMONA AVE.
 CHINO CA 91708
 USA

54540140 9807 352

Ref# 53068499 \$24709.71 Ch# 1001

LIGNUS INC
DEBTOR-IN-POSSESSION, 17-05475-CL11
531 ALTA RD STE 8
SAN DIEGO, CA 92154

CALIFORNIA BANK & TRUST
CHULA VISTA OFFICE
CHULA VISTA, CALIFORNIA 91910
90-32101222

9/26/2017

PAY TO THE ORDER OF ROSA ESTRADA \$ 800.00

*** Eight hundred and 00/100 *****
DOLLARS

ROSA ESTRADA
2475 PASEO DE LAS AMERICAS #3057
SAN DIEGO CA 92154
USA

MEMO

00001003 12232109 9807

Ref# 53074705 \$800.00 Ch# 1003

LIGNUS INC
DEBTOR-IN-POSSESSION, 17-05475-CL11
531 ALTA RD STE 8
SAN DIEGO, CA 92154

CALIFORNIA BANK & TRUST
CHULA VISTA OFFICE
CHULA VISTA, CALIFORNIA 91910
90-32101222

9/20/2017

PAY TO THE ORDER OF PARR LUMBER COMPANY \$ 35932.11

*** Thirty-five thousand nine hundred thirty-two and 11/100 *****
DOLLARS

PARR LUMBER COMPANY
14023 RAMONA AVE.
CHINO CA 91708
USA

MEMO

00001005 12232109 9807

Ref# 53055425 \$35932.11 Ch# 1005

LIGNUS INC
DEBTOR-IN-POSSESSION, 17-05475-CL11
531 ALTA RD STE 8
SAN DIEGO, CA 92154

CALIFORNIA BANK & TRUST
CHULA VISTA OFFICE
CHULA VISTA, CALIFORNIA 91910
90-32101222

9/28/2017

PAY TO THE ORDER OF MARIA JOSE HAGENAH \$ 914.91

*** Nine hundred and fourteen and 91/100 *****
DOLLARS

MARIA JOSE HAGENAH

MEMO

00001006 12232109 9807

Ref# 53044907 \$914.91 Ch# 1006

LIGNUS INC
DEBTOR-IN-POSSESSION, 17-05475-CL11
531 ALTA RD STE 8
SAN DIEGO, CA 92154

CALIFORNIA BANK & TRUST
CHULA VISTA OFFICE
CHULA VISTA, CALIFORNIA 91910
90-32101222

9/28/2017

PAY TO THE ORDER OF HAMPTON LUMBER SALES COMPANY \$ 17368.77

*** Seventeen thousand three hundred sixty-eight and 77/100 *****
DOLLARS

HAMPTON LUMBER SALES COMPANY
P.O. BOX 849689
LOS ANGELES CA 90084-9689
USA

MEMO

00001007 12232109 9807

Ref# 53004650 \$17368.77 Ch# 1007

LIGNUS INC
DEBTOR-IN-POSSESSION, 17-05475-CL11
531 ALTA RD STE 8
SAN DIEGO, CA 92154

CALIFORNIA BANK & TRUST
CHULA VISTA OFFICE
CHULA VISTA, CALIFORNIA 91910
90-32101222

9/29/2017

PAY TO THE ORDER OF PARR LUMBER COMPANY \$ 9609.60

*** Nine thousand six hundred and nine and 60/100 *****
DOLLARS

PARR LUMBER COMPANY
14023 RAMONA AVE
CHINO CA 91708
USA

MEMO

00001012 12232109 9807

Ref# 53079315 \$9609.60 Ch# 1012

LIGNUS INC
DEBTOR-IN-POSSESSION
CASE 17-05475-CL11
531 ALTA RD STE 8
SAN DIEGO, CA 92154-5720

DATE 09/20/17

PAY TO THE ORDER OF Parr Lumber Company \$ 11,579.78

(Eleven thousand five hundred seventy-nine and 78/100)

FOR Maria Jose Hagenah

00001007 12232109 9807

Ref# 53058263 \$11579.78 Ch# 9999

LIGNUS INC
DEBTOR-IN-POSSESSION
CASE 17-05475-CL11
531 ALTA RD STE 8
SAN DIEGO, CA 92154-5720

DATE 09/20/17

PAY TO THE ORDER OF Hampton Lumber Sales \$ 9026.64

(Nine thousand two hundred twenty-six and 64/100)

FOR Maria Jose Hagenah

00001007 12232109 9807

Ref# 53004971 \$9026.64 Ch# 9999

Name LIGNUS, INC.
Account No 5794059807

DATE 09/21/17

PAY TO THE ORDER OF PARR LUMBER COMPANY \$ 23,132.25

(Twenty three thousand one hundred thirty-two and 25/100)

FOR Maria Jose Hagenah

00001007 12232109 9807

Ref# 53076595 \$23132.25 Ch# 9999

Name LIGNUS INC.
Account No 5794059807

DATE 09/22/17

PAY TO THE ORDER OF PARR LUMBER COMPANY \$ 26,118.46

(Twenty six thousand one hundred eighteen and 46/100)

FOR Maria Jose Hagenah

00001007 12232109 9807

Ref# 53061925 \$26118.46 Ch# 9999

Name LIGNUS INC.
Account No 5794059807

DATE 09/22/17


PAY TO THE ORDER OF LAURO CHAVEZ \$ 37.99

(Thirty seven and 99/100)

FOR Maria Jose Hagenah

00001007 12232109 9807

Ref# 53001325 \$37.99 Ch# 9999

Name <u>LIENUS, INC</u>		DATE <u>09/22/17</u>	
Account No <u>594059807</u>			
PAY TO THE ORDER OF <u>Pedro Duran</u>		\$1,000.00	
<u>(one thousand & 00/100)</u>		DOLLARS	
 CALIFORNIA BANK & TRUST <small>Member FDIC Equal Housing Lender</small>		<u>Mariacy Hagenah</u> FOR _____	
⑆122232109⑆		9807⑈	

Ref# 53002264 \$1000.00 Ch# 9999